2014

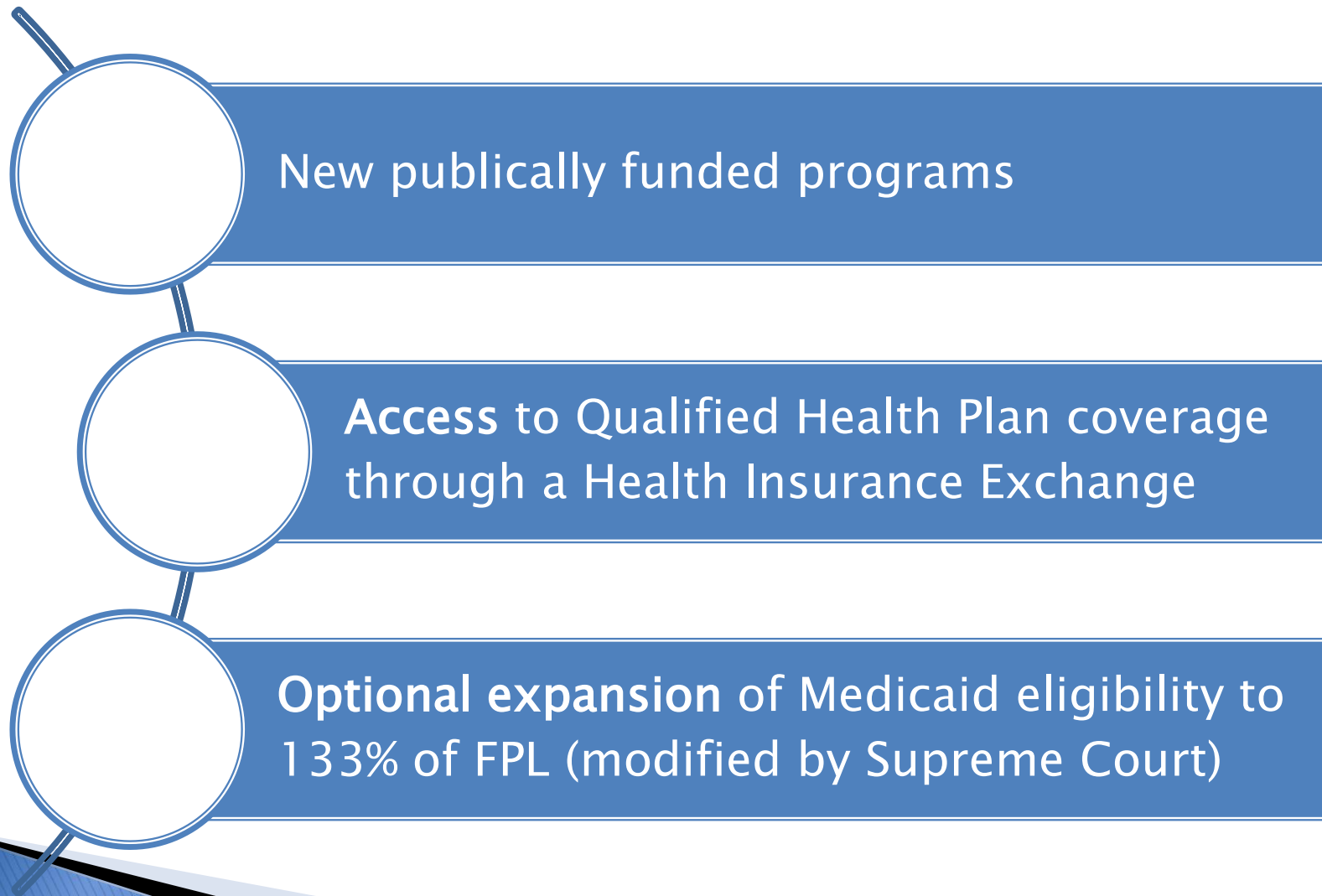## Medicaid Restoration, and New Technology for Public Assistance in Arizona

The Affordable Care Act

Signed into law March 23, 2010

Major ACA Provisions

New publically funded programs

Access to Qualified Health Plan coverage through a Health Insurance Exchange

Optional expansion of Medicaid eligibility to 133% of FPL (modified by Supreme Court)

Insurance Affordability Programs

A new category of publicly funded programs that includes:

- **Medicaid** (AHCCCS)
- **CHIP** (KidsCare)
- Qualified Health Plan coverage with **Premium Tax Credits** (100–400% FPL)
- Qualified Health Plan coverage with **Cost Sharing Reductions** (100–250% FPL)
  Cost Sharing Reductions for American Indians (100–300% FPL)

State Options for an Exchange

- State run exchange, partner with federal government, or defer to the Federally Facilitated Marketplace (FFM)

- Governor Brewer's decision: defer to the FFM

- Arizonans will enroll in Qualified Health Plans and purchase coverage through the FFM (AKA Health Insurance Marketplace)

Federal Marketplace

Advanced Premium Tax Credits
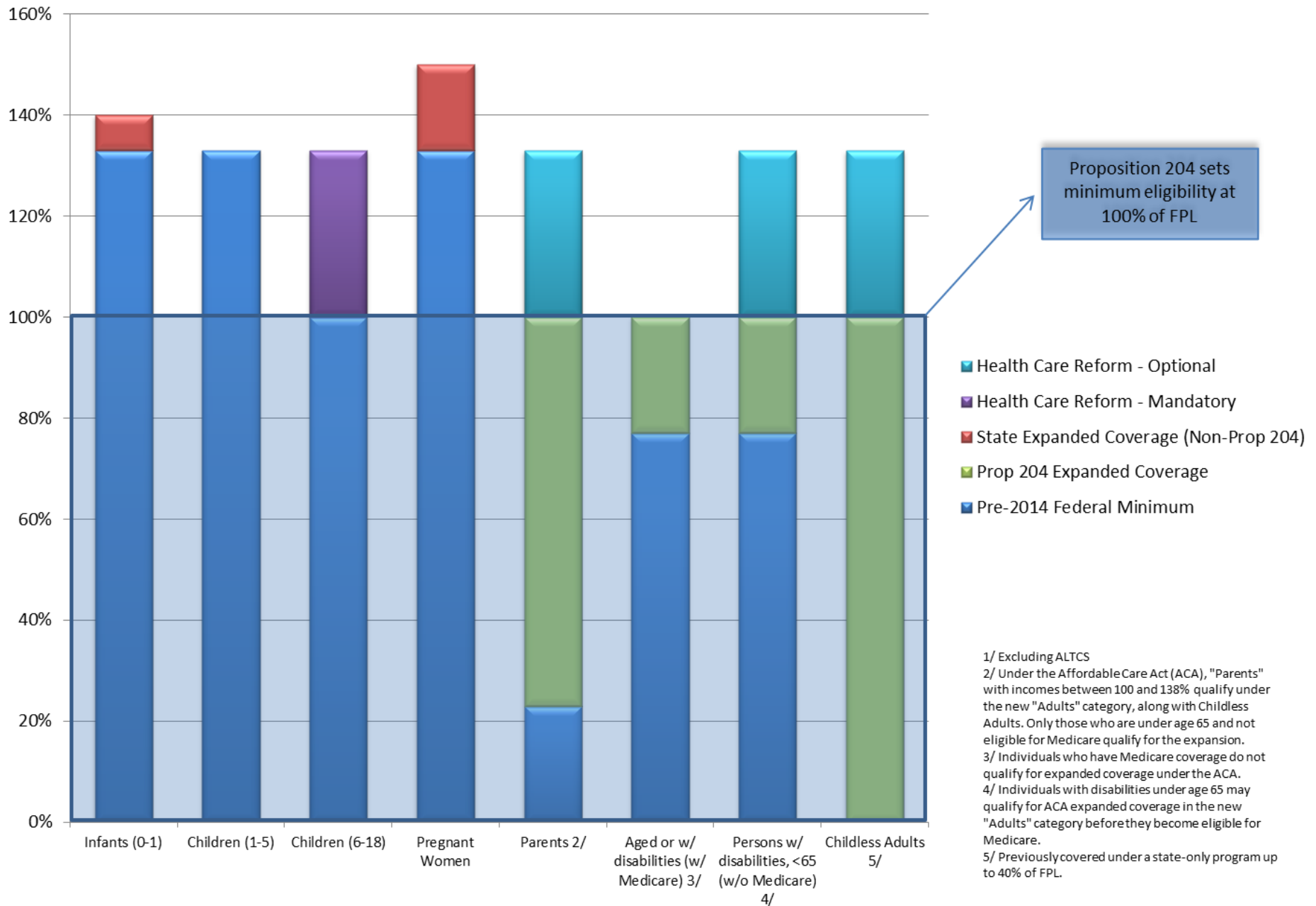
Cost Sharing Reductions

Qualified Health Plan enrollment

Arizona

AHCCCS

(Medicaid)

KidsCare

(CHIP)

Arizona Medicaid Income Eligibility [1]

Proposition 204 sets minimum eligibility at 100% of FPL

Legend:
- Health Care Reform - Optional
- Health Care Reform - Mandatory
- State Expanded Coverage (Non-Prop 204)
- Prop 204 Expanded Coverage
- Pre-2014 Federal Minimum

Categories: Infants (0-1), Children (1-5), Children (6-18), Pregnant Women, Parents 2/, Aged or w/ disabilities (w/ Medicare) 3/, Persons w/ disabilities, <65 (w/o Medicare) 4/, Childless Adults 5/

1/ Excluding ALTCS
2/ Under the Affordable Care Act (ACA), "Parents" with incomes between 100 and 138% qualify under the new "Adults" category, along with Childless Adults. Only those who are under age 65 and not eligible for Medicare qualify for the expansion.
3/ Individuals who have Medicare coverage do not qualify for expanded coverage under the ACA.
4/ Individuals with disabilities under age 65 may qualify for ACA expanded coverage in the new "Adults" category before they become eligible for Medicare.
5/ Previously covered under a state-only program up to 40% of FPL.

Medicaid Changes and Restoration in Arizona

Governor's Medicaid Plan

- In her State of the State Governor Brewer called for the legislature to restore Proposition 204 coverage and provide coverage to adults from 100% to 133% FPL

- Restoring Prop. 204 would cover 240,000 Arizonans; including adults from 100 to 133% FPL would cover about 57,000 Arizonans statewide.

- Would provide about $1.7 billion in federal funds to support healthcare in AZ

- Circuit Breaker – proposal includes an automatic repeal if federal funding for Prop. 204 childless adults or newly eligible adults decreases below 80% for childless adults.

ACA Requirements for States

Medicaid changes 1/1/14

- Technology changes
- Eligibility determination methods

Provide access to the Federally Facilitated Marketplace 10/01/13

ACA Technical Requirements

Provide *Online access* for individuals to:
- Apply and renew eligibility
- Manage eligibility information

Use *Electronic matching* for verification
- Citizenship and immigration, SSN, and Employment
- Other eligibility factors

Simplify *verification and submission* of documents
- Digitization of documents
- System verification

ACA Technical Requirements

Expand/Enhance enrollment systems to:

- Integrate new programs, rules and functionalities
- Operate at increased volumes
- Apply the streamlined eligibility and verification processes to other Federal and State programs

Notify parties of eligibility, renewal and other needed communication by:

- Email
- Cell Phone /text messaging
- Online

Reuse stored eligibility information to:

- Assist with keeping consumers eligible

ACA Required Application Methods

Online

Mail

Phone

In Person

Between Arizona and the Federally Facilitated Marketplace, Consumers Have a Wide Range of Program Options

Full Range of AHCCCS Benefits

- AHCCCS Health Insurance (Medicaid)
- ALTCS
- Freedom to Work (FTW)
- Breast and Cervical Cancer Treatment Program (BCCTP)
- Medicare Savings Programs (MSP)

Other Federal and Local Programs

- Nutrition Assistance (SNAP or Food Stamps)
- Temporary Assistance for Needy Families (TANF)
- Clinic–based Sliding Fee Scale programs SFS)
- County–based Community Assistance Programs (CAP)

Exchange Programs

- Premium Tax Credit Program
- Cost Sharing Reduction Program
- Private Insurance, No Subsidy
- Small Business Health Opportunities Program (SHOP) for employers of 50 employees or less

Modified Adjusted Gross Income (MAGI) »

Modified Adjusted Gross Income

- The Affordable Care Act changes how income is counted for determining AHCCCS and KidsCare eligibility

- Beginning January 1, 2014 all states must use MAGI methodology to determine eligibility for most applicants

Whose Eligibility is Based on MAGI?

Modified Adjusted Gross Income	Use Current Eligibility Methods
Adults Parents Children Pregnant Women	SSI Cash Assistance Foster Care Adoption Subsidy Age 65 and Older Blind & Disabled Medicare Savings Programs Long Term Care

MAGI Methodology

Internal Revenue Service (IRS) requirements are used to define:

Household Composition

Income used to Determine Eligibility

MAGI Households

The tax household will include:

A tax filer and his or her dependents

A married couple filing taxes jointly and their dependents

Adjustments for children not claimed by their parents or not living with both parents

MAGI Income Methodology

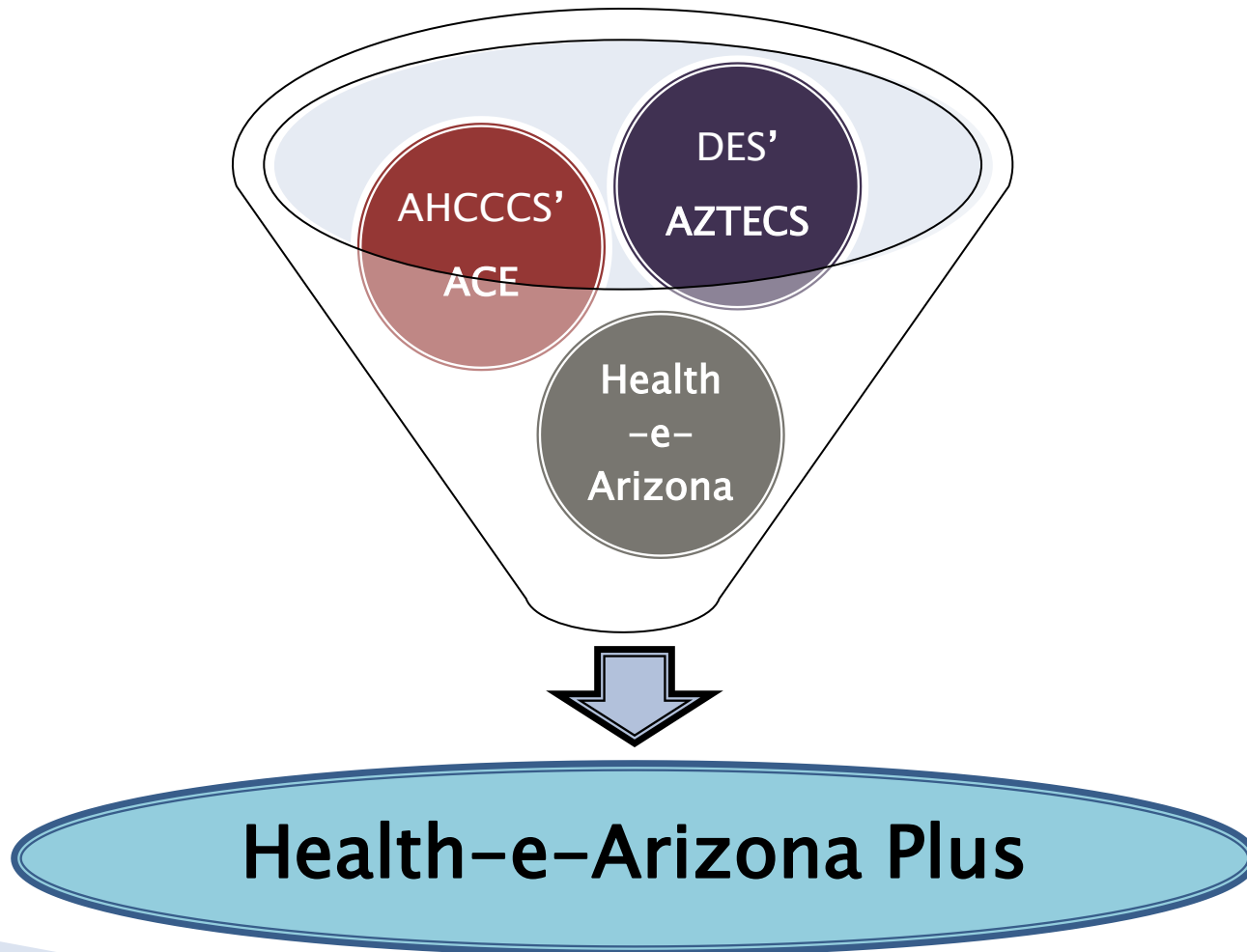MAGI Income:

Start with the Adjusted Gross Income on the tax filer's return

Add back certain types of income, such as Social Security

Deduct a 5% disregard (under certain circumstances)

Arizona is Getting Ready ⟫

New Application and Eligibility System

AHCCCS' ACE

DES' AZTECS

Health-e-Arizona

Health-e-Arizona Plus

Health-e-Arizona Plus Features

Apply for <u>All</u> Insurance Affordability Programs, plus More

- AHCCCS, KidsCare, Medicare Savings Programs & ALTCS
- Advanced Premium Tax Credits & Cost Sharing Reductions
- Nutrition Assistance, Cash Assistance and Community Discount Programs

Robust online help tools

- Learn More
- FAQs
- Video

More electronic communication tools

- E-mail
- Text Messaging
- Interactive Voice Response (IVR) Integration

Security of Health-e-Arizona Plus

Encrypted (scrambled) data

Access limited by user profile

Public users must verify identity online (using standards employed by banks and credit card companies)

Defends against fraud and identity theft

Increased Electronic Data Exchange

Integration with Federal Hub

Building a State Hub

Electronic application transfer

Goal = Real-time online eligibility

Health-e-Arizona Plus

Eligibility Processing

- Choose programs to apply for in the beginning of the application
- New application questions
- New verification priority:
  - 1st – Electronic
  - 2nd – Attestation
  - 3rd – Documents
- Real-time eligibility (for some)
- Link to Federally Facilitated Marketplace for Advanced Premium Tax Credit and Cost Sharing Reduction eligibility
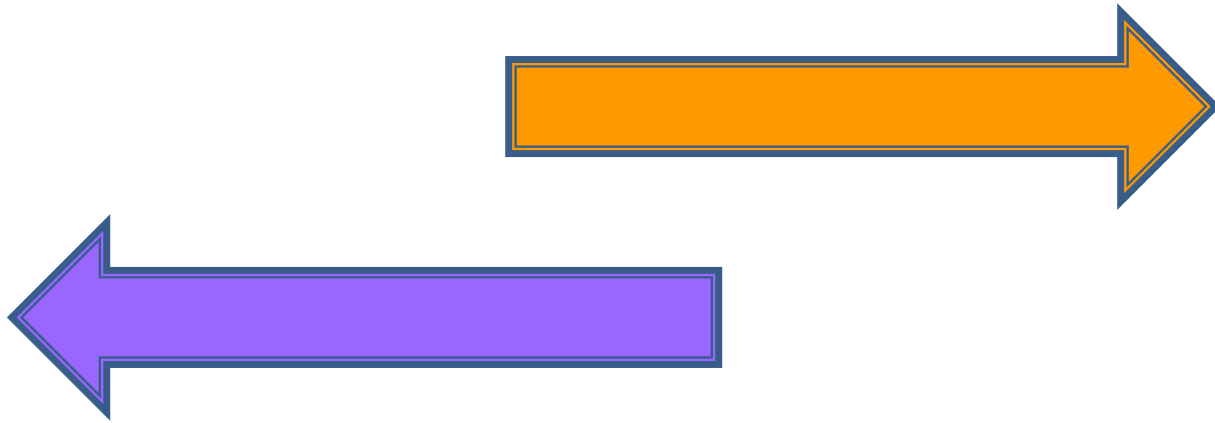- Streamlined renewal process

Health-e-Arizona Plus

New Electronic Features

- Screening tools to help applicants know whether to apply through HEAplus or the FFM
- Real-time verification:
  - SSN
  - US citizenship
  - Immigration status
  - Income
- Voice signatures
- Online real-time notices
- Text messages
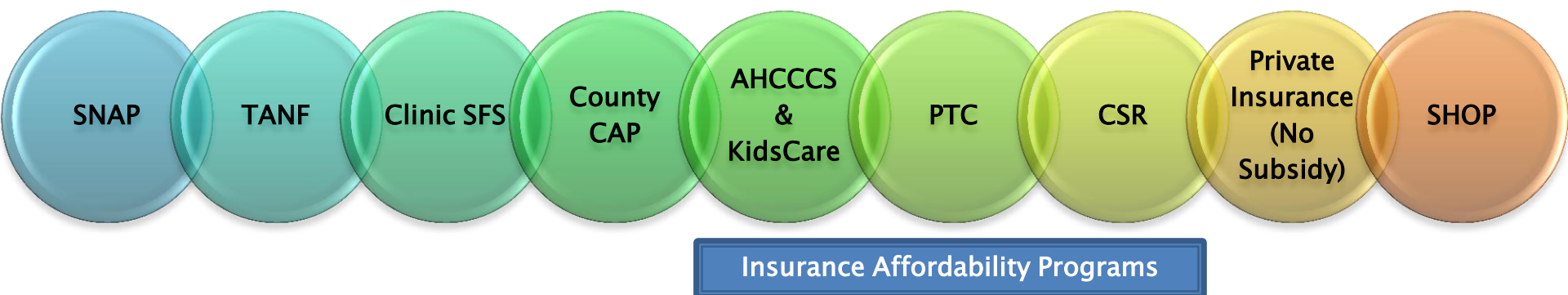- E-mail

Changes in the Application Process

Customer Support

- Public access to computers in state offices
- Phone operators
- Interactive Voice Response (IVR)
- Application Assistors throughout Arizona
- Customer can manage applications, renewals, changes, enrollment and more in Health-e-Arizona Plus

Application Options ≫

Consumers Have a Wider Range of Program Options

SNAP | TANF | Clinic SFS | County CAP | AHCCCS & KidsCare | PTC | CSR | Private Insurance (No Subsidy) | SHOP

Insurance Affordability Programs

SNAP = Supplemental Nutrition Assistance Program (Nutrition Assistance)
TANF = Temporary Assistance for Needy Families (Cash Assistance)
Clinic SFS = Clinic-based Sliding Fee Scale programs
County CAP = County-based Community Assistance Programs (CAP)(Pima and Santa Cruz Counties)
PTC = Premium Tax Credit Program
CSR= Cost Sharing Reduction Program
SHOP = Small Business Health Opportunities Program

Many Programs are Accessed Through Health-e-Arizona Plus

Start Here

Health-e-Arizona Plus

FFM

SNAP | TANF | Clinic SFS | County CAP | AHCCCS & KidsCare | PTC | CSR | Private Insurance (No Subsidy) | SHOP

Apply for

SNAP = Supplemental Nutrition Assistance Program (Nutrition Assistance)
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Health-e-Arizona Plus　　　　**FFM**

| SNAP | TANF | Clinic SFS | County CAP | AHCCCS & KidsCare | PTC | CSR | Private Insurance (No Subsidy) | SHOP |

| Apply for | Referral to FFM |

SNAP = Supplemental Nutrition Assistance Program (Nutrition Assistance)
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| Apply for | Referral to FFM | Link to FFM |

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Applications started at the FFM

Start Here

Health-e-Arizona Plus | **FFM**

SNAP · TANF · Clinic SFS · County CAP · AHCCCS & KidsCare · PTC · CSR · Private Insurance (No Subsidy) · SHOP

Apply for

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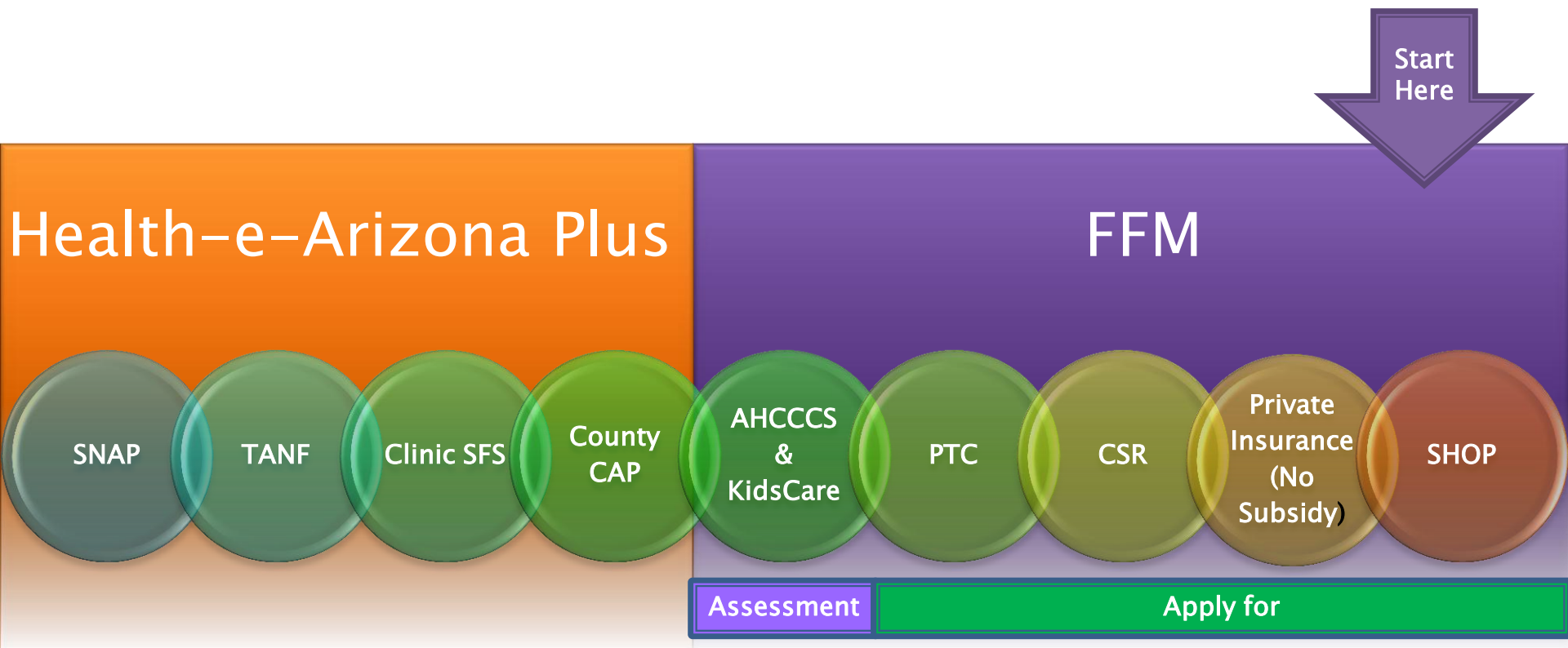Clinic SFS = Clinic-based Sliding Fee Scale programs
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Start Here

Health–e–Arizona Plus				FFM				
SNAP	TANF	Clinic SFS	County CAP	AHCCCS & KidsCare	PTC	CSR	Private Insurance (No Subsidy)	SHOP

Assessment	Apply for

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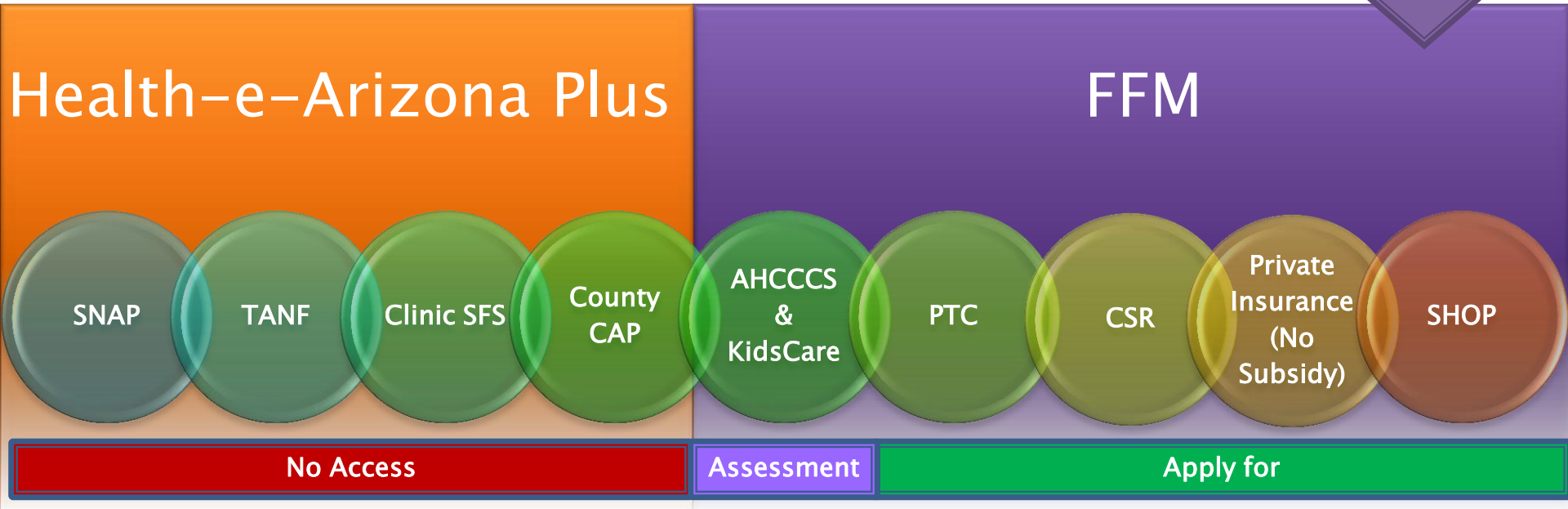Clinic SFS = Clinic–based Sliding Fee Scale programs
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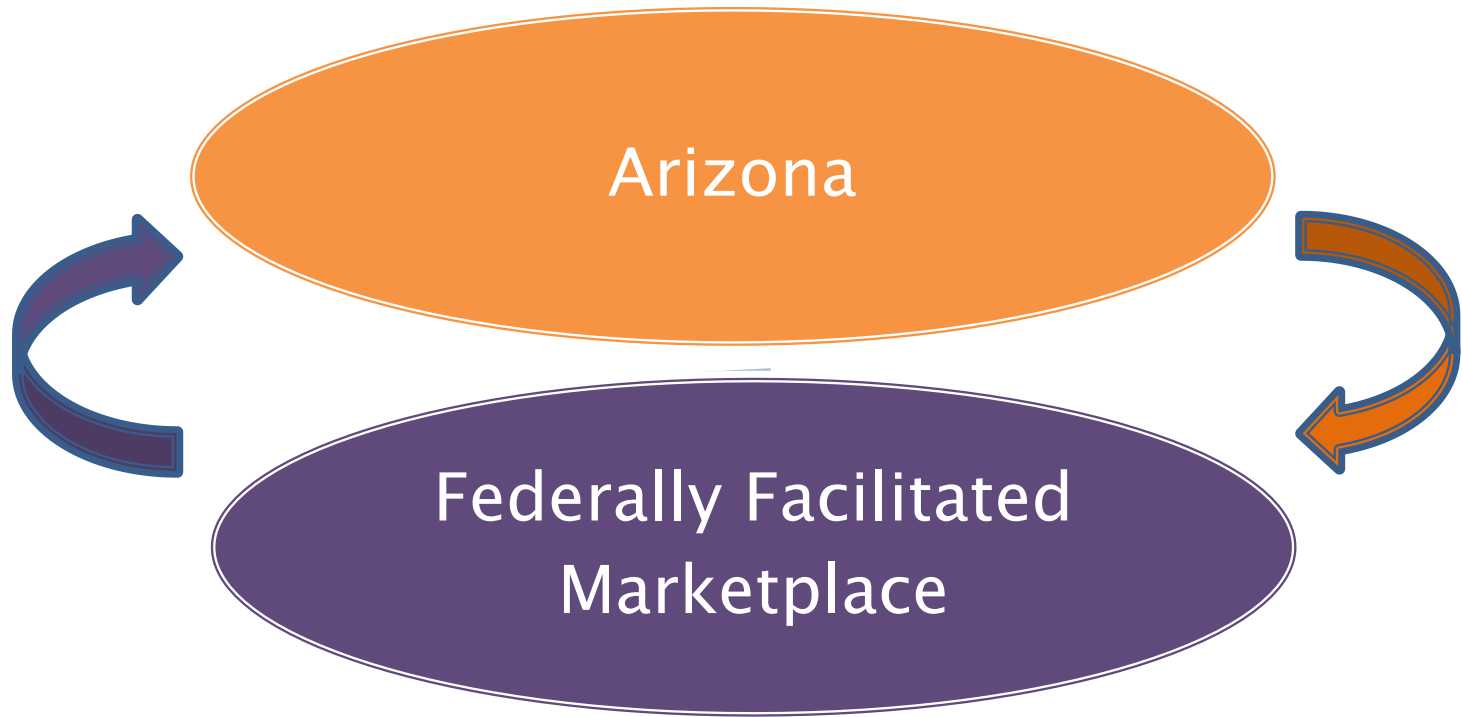CSR= Cost Sharing Reduction Program
SHOP = Small Business Health Opportunities Program

Applications Started at the FFM

Start Here

Health–e–Arizona Plus	FFM

SNAP | TANF | Clinic SFS | County CAP | AHCCCS & KidsCare | PTC | CSR | Private Insurance (No Subsidy) | SHOP

No Access	Assessment	Apply for

SNAP = Supplemental Nutrition Assistance Program (Nutrition Assistance)
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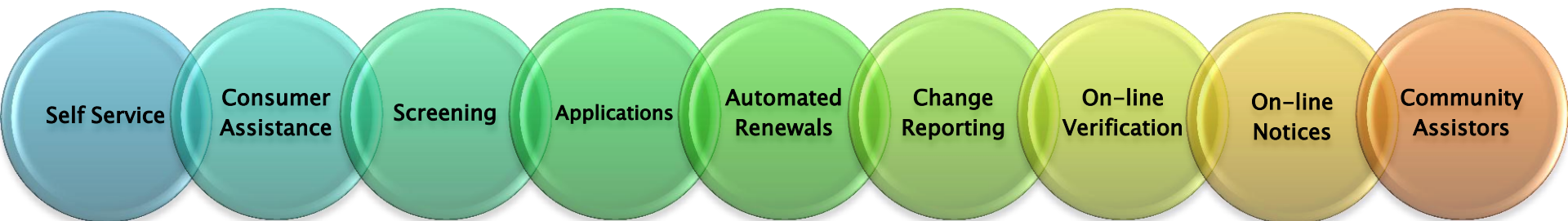
Integration with FFM

Exchange of Data between HEAplus and FFM

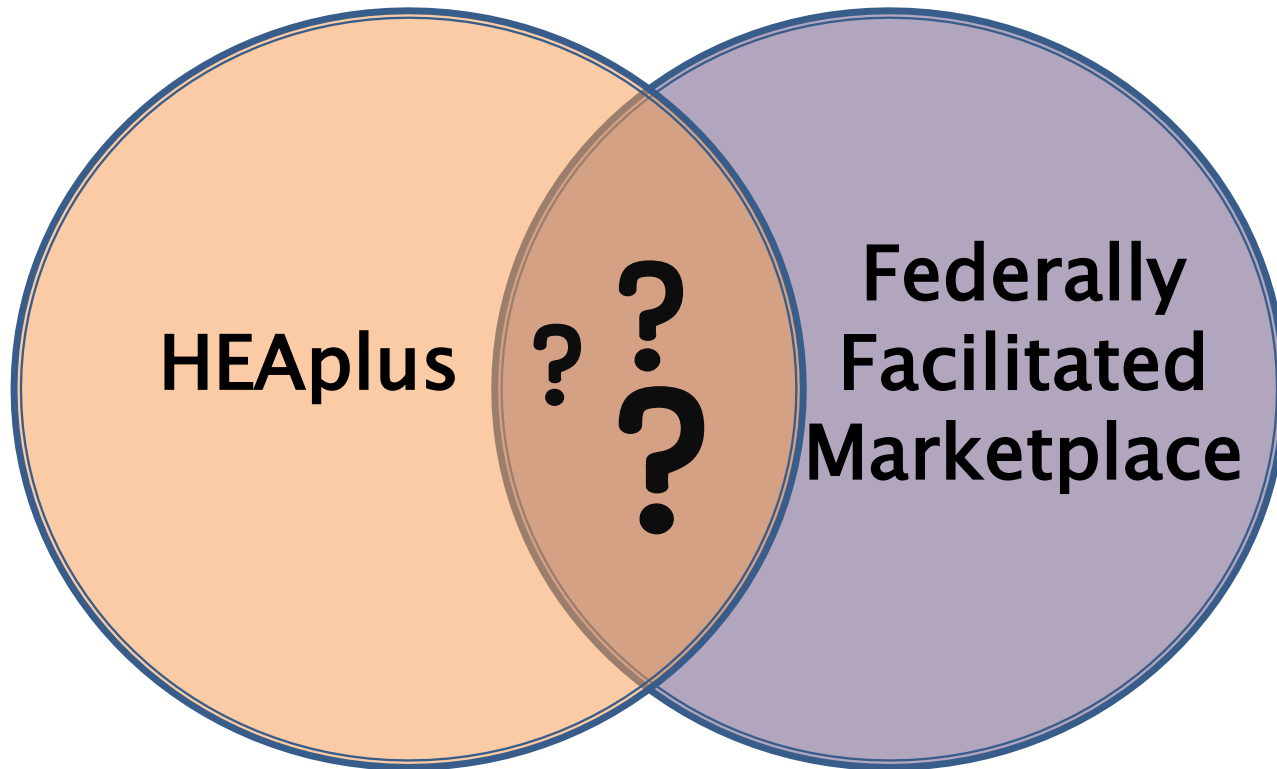Application data will be transferred electronically.

Arizona intends to transfer data to the FFM in real time.

The FFM process is still in development.

Health-e-Arizona Plus Includes

Self Service · Consumer Assistance · Screening · Applications · Automated Renewals · Change Reporting · On-line Verification · On-line Notices · Community Assistors

Arizona Wants to Avoid Consumer Confusion

Arizona's Plan to Avoid Consumer Confusion

The following features and capabilities will be offered in association with Health-e-Arizona Plus

- Community-Based Assistor Training and Support
- Consumer Supports such as:
  - Interactive Voice Response (IVR)
  - Call Center
  - Frequently Asked Questions
  - Help Text
  - Learn More information links
- A system that generally will feel familiar to applicants and those who assist them as it is based on Health-e-Arizona

Upcoming Milestones

09/01/13
Consumer
Support Line

01/01/14
Medicaid changes
are effective
QHP enrollment is
effective

10/01/13
Health-e-Arizona Plus
goes live
QHP open enrollment
begins